



***Commonwealth of Virginia***  
***Office of Governor Bob McDonnell***

**FOR IMMEDIATE RELEASE**

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Contact: Taylor Keeney

Phone: (804) 225-4260

Email: [Taylor.Keeney@governor.virginia.gov](mailto:Taylor.Keeney@governor.virginia.gov)

**Governor McDonnell Announces Federal Action  
Contingency Trust (FACT) Fund Grants**  
*FACT Funds Allocated to Five State and Local Agencies  
Negatively Affected by Federal Budget Reductions,  
Sequestration, or Operational Changes*

**RICHMOND** - Governor Bob McDonnell today announced the recipients of the Federal Action Contingency Trust (FACT) Fund grants. The FACT fund was proposed by Governor Bob McDonnell, and officially established in the 2012 General Assembly Session, to help Virginia counter actions taken by the federal government that may adversely impact the citizens and economy of Virginia. This is the first year funds have been allocated.

“In October we once again saw the detrimental effects of a federal government shutdown. The shutdown had a direct, negative impact on the Commonwealth,” said Governor McDonnell. “It was yet another reminder that Virginia cannot rely on an increasingly dysfunctional federal government. These grants will help Virginia repair the damage caused by the federal government’s irresponsible budgeting practices and the uncertainty created for the states by the ongoing policy paralysis in Washington.”

In 2012, the General Assembly created the FACT Fund Advisory Commission, composed of General Assembly members, to assist in the review of the FACT Fund requests.

The Senate Finance Committee Chairman and House Appropriations Committee Chairman appointed the members of the Advisory Commission. The Advisory Commission is composed of five members from the Senate Finance Committee: Chairman Walter A. Stosch, Senators Janet D. Howell, L. Louise Lucas, Frank W. Wagner, and John C. Watkins. The Advisory Commission is also composed of five members of the House Appropriations Committee: Chairman Lacey E. Putney, Delegates R. Steven Landes, S. Chris Jones, L. Scott Lingamfelter, and Rosalyn R. Dance. Secretary of Finance Ric Brown, Secretary of Commerce and Trade Jim Cheng, and Secretary of Health and Human Resources Bill Hazel serve as technical advisors.

During the 2013 Session of the General Assembly, the purpose of the FACT Fund was more narrowly defined to be used only to: (1) offset the potential loss of any revenue to the Commonwealth, either directly or indirectly related to any actions of the United States Congress as part of any federal budget reductions and (2) up to \$5,000,000 may be provided to: (A) develop plans and implement strategies to prevent or limit the adverse economic impacts of closure, relocation, or realignment of federal military or security installations or other federal agencies located in Virginia, including actions to evaluate military and command clusters to access their vulnerability for closure, relocation or realignment, and (B) make remedial efforts to promote renewed economic growth in jurisdictions (localities) adversely effected by closure, relocation, or realignment decisions on the part of the federal government.

Localities and State agencies that have had or have pending negative impacts caused by announced federal budget reductions or sequestration actions were able to apply for FACT Fund Allocations. Private entities could also serve as partners with localities or state agencies in their applications.

### **FACT Fund Grant Recipients and Projects**

#### **Recipient: Arlington County Government, through Arlington Economic Development, with Private Partner Amplifier Ventures**

**Award: \$350,000**

Summary: In partnership with the Arlington Economic Development, a Department of the Arlington County Government, Amplifier Ventures will use the funds to support and promote renewed economic growth. It will do so by preparing for widespread reorientation of its technology employment sector and assist in the development of a vibrant and self-reinforcing economy of smaller, innovative technology product companies. Arlington County will match the funds by 50 percent.

“Arlington is thrilled to partner with Amplifier Ventures and be part of this prestigious group of grant recipients,” stated Jennifer Ives, Director of Innovation & Strategic Partnerships with Arlington Economic Development. “Virginia and Arlington recognize the value of strong partnerships between the government and private sector, as well as the opportunity for innovation that can arise from robust public-private partnerships. This award validates the many recent successes Arlington and Amplifier Ventures have helped create in the realm of national security innovation and will allow us to help cultivate and grow even more businesses in Arlington and across the Commonwealth.”

**Recipient: Northern Virginia Regional Commission (NVRC)**

**Award: \$300,000**

Summary: The NVRC will use the grant to perform analytic studies and formulate strategies that are intended to renew economic growth in the negatively impacted localities. The grant will be matched by 50 percent by private sector participants. The NVRC will create the Northern Virginia Alliance, which will provide “organizational leadership” to combat negative impacts of the federal budget reductions in Northern Virginia. The Alliance, with George Mason University and PMC Group (a private research entity) will complete a regional economic analysis to provide information on defense and non defense spending and formulate strategies for impacted localities.

Robert Lazaro, NVRC Chairman and Mayor of Purcellville, said, “On behalf of the local elected officials of Northern Virginia, we are very pleased with the announcement today that the Northern Virginia Regional Commission will be a recipient of the Governor's FACT fund grant program. NVRC has been a leader in bringing the military leadership of Northern Virginia together, and more importantly in solving problems related to BRAC decision-making. This money will provide an opportunity for NVRC to increase its role in providing solutions to future potential military down-sizing in our region.”

**Recipient: Southern Virginia Higher Education Center (SVHEC) with Private Partner Virginia Manufacturers Association (VMA)**

**Award: \$250,000**

Summary: SVHEC in conjunction with VMA will use the grant to address unemployment rate among Virginia veterans. Specifically, the program will provide vocational training for veterans to attain and refine job skills and competencies required in advanced technology industries. The grant will be matched by an in-kind contribution of 50 percent from the VMA.

Speaking about the award, Brett Vassey, President and CEO of the Virginia Manufacturers Association said, “The VMA and the Southern Virginia Higher Education Center are appreciative of this grant and the support of the FACT Fund Commission and Governor McDonnell. These resources will help Military2Manufacturing reduce the unemployment rate among veterans and Virginia National Guardsmen, in particular, by giving them skills and credentials that will get them ready for advanced manufacturing jobs.”

**Recipient: Stafford County Government**

**Award: \$100,000**

Summary: The Stafford County Board of Supervisors, on behalf of the Stafford Technology and Research Center, will use the grant to assess current market conditions and specific client needs associated with the wide range of defense and intelligence clients at Marine Corps Base Quantico. The funds will be used to prepare detailed risk analysis, refine and enhance the strategic plan, assess more thoroughly and prepare for additional BRAC impacts, and develop adjustments to existing plans to more effectively respond to continued challenges and uncertainties in the Commonwealth's economy. Stafford County will match 100 percent of the grant.

“Stafford County is focused on creating an enviable business climate,” said Susan B. Stimpson, Chairman of the Stafford Board of Supervisors. “We have eliminated four business taxes in the past several years, including the BPOL Tax, and are now supporting \$500 million in new infrastructure in the County. We are dedicated to enhancing transportation with our investments in our voter-approved transportation bonds and working in partnership with the Commonwealth on the HOT lanes project, and we are confident that these efforts will pay dividends for years to come. We are committed to ensuring that our progress is not muted by government budget battles, but by building on the strengths of the Quantico Region. With the Governor’s welcome announcement, Stafford’s Tech Park initiative is now positioned to quickly leverage partnerships that will move the Commonwealth forward – while protecting this critical Base.”

**Recipient: Virginia Polytechnic Institute and State University**

**Award: Fiscal Year 2014- \$1,000,000**

**Fiscal Year 2015- \$1,199,495**

**Fiscal Year 2016- \$436,998**

Summary: Virginia Tech will use the funds to position itself as a leader in unmanned aircraft systems research and development. These efforts will promote growth in the private sector and provide a means of diversifying the Commonwealth’s economy to counteract declines in other federal research spending. Virginia Tech will use the funds to mitigate the impact of \$29 million in reduced salaries, research, and development spending for the Naval Support Facility in Dahlgreen, Virginia, the NASA Wallops Flight Facility in Wallops Island, Virginia, and the Fort Pickett Army National Guard Maneuver Training Center in Blackstone, Virginia. Virginia Tech will match 50 percent of the fiscal year 2014 grant.

“Virginia Tech is honored to be leading this effort for the Commonwealth of Virginia and extremely gratified by the Commonwealth’s support,” said Virginia Tech President Charles W. Steger. “We are convinced that Virginia, teamed with New Jersey and Maryland, is poised to make the mid-Atlantic region the leader in unmanned aircraft system research, development, testing and evaluation, and manufacturing. I’m proud of our faculty with the Virginia Center for Autonomous Systems and Institute for Critical Technology and Applied Science for providing vital expertise in autonomous systems to this effort.”

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